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ABSTRACT

This report examines issues relevant to establishing an Office of Student Financial Assistance (OSFA) ombudsman office within the Department of Education. The OSFA ombudsman office came out of the need to improve student lending program services and to mitigate the impact of loan default on students. It was determined that students involved in lending disputes and loan repayment problems needed a source of assistance at the Department of Education. A development team was assembled to examine the issue and formulate recommendations. The team recommended that the ombudsman office should quickly and informally resolve borrower complaints, work with schools and the lending community to achieve solutions that are fair to all parties, promote easy access for borrowers, establish a complaint-cherishing system, and improve services to borrowers. It was also recommended that the Department of Education hire the best possible candidate to become the OSFA ombudsman. Two appendixes contain a complete list of the team recommendations and a list of participants. (MDM)

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Serving Students

The OSFA Ombudsman

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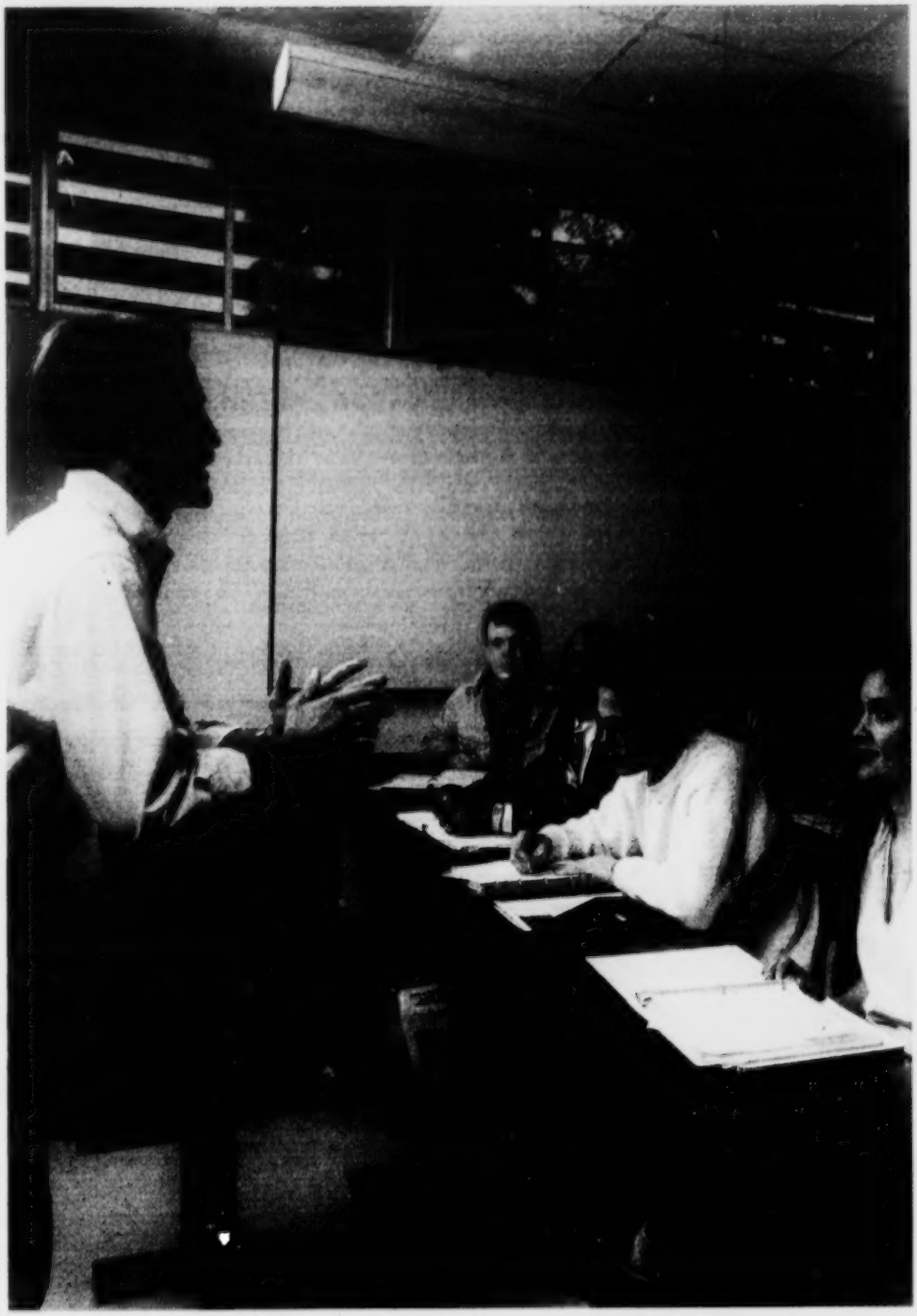
U.S. Department of Education

Office of Student Financial Assistance

Serving Students: The OSFA Ombudsman

August 1999



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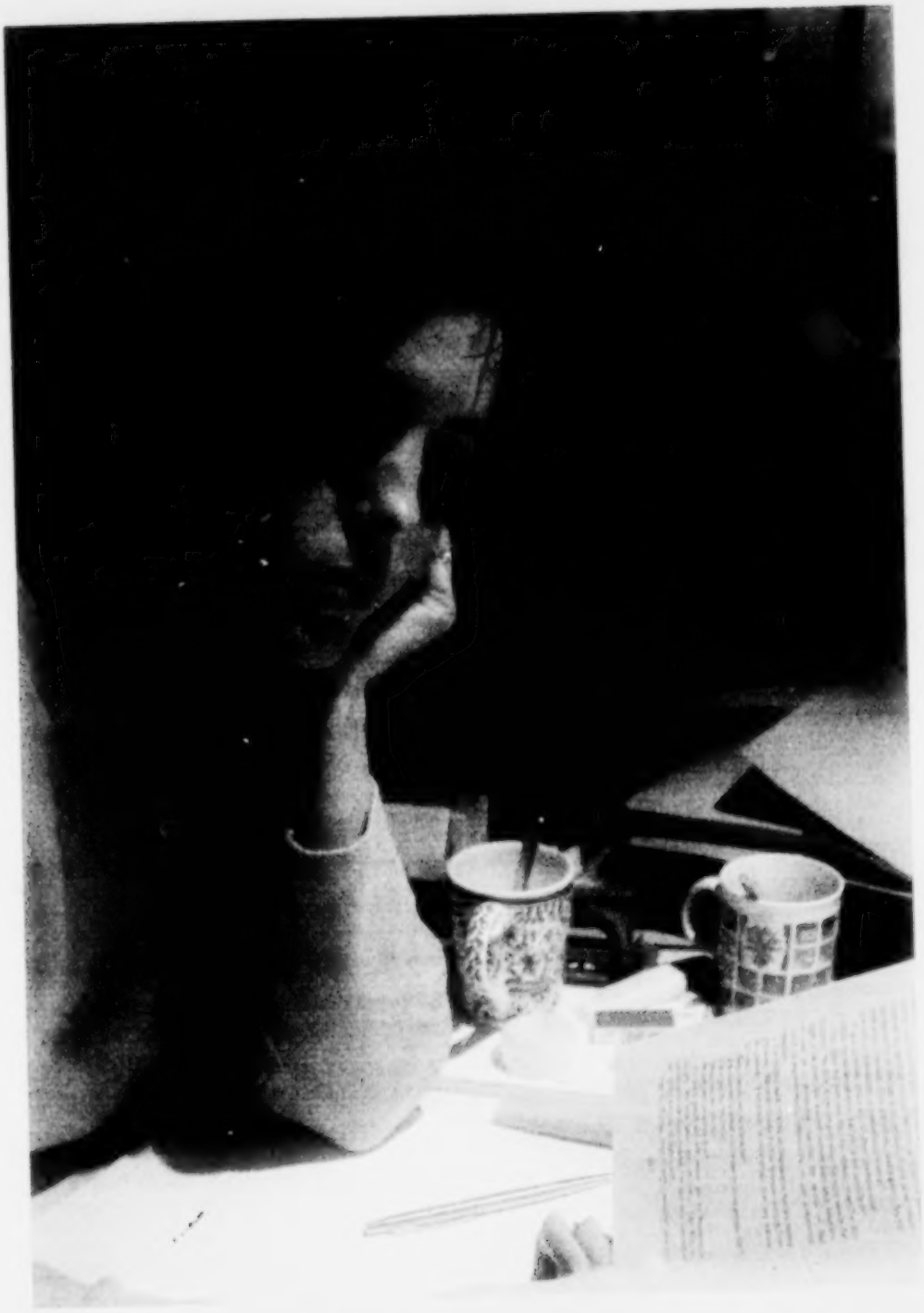

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SECTION 1

Summary

Student Loan Ombudsman Development Team Recommendations

This report presents the Ombudsman Development Team findings and recommendations for establishing an OSFA ombudsman office to serve student loan borrowers.

To improve student financial aid services nationwide, the Higher Education Amendments of 1998 established the Office of Student Financial Assistance (OSFA) as the first federal Performance-Based Organization (PBO). In that same legislation, Congress specified that the Chief Operating Officer shall appoint a student loan ombudsman who will:

- receive, review, and attempt to resolve informally complaints from borrowers of student financial assistance loans,
- compile and analyze data on borrower complaints, and make recommendations for improvements, and
- report annually on the activities and effectiveness of the Ombudsman.

We asked our partners—students, schools, lenders, and other organizations—to tell us what services they expected from the OSFA ombudsman office. This report pre-

sents the Ombudsman Development Team findings and recommendations for establishing an OSFA ombudsman office to serve student loan borrowers.

SECTION II

Student Loan Repayment Problems

What Congress Heard

In 1998, Congress directed the U.S. Department of Education to appoint a student loan ombudsman. Despite numerous improvements in lending money to students, when it comes to repaying their loans there appeared to be no or little improvement in services to students. Both students and student advocates reported that there was massive confusion in the student lending programs and too many students encountered problems that never should have happened.

The impact of student loan default ranges from damaging borrowers' credit ratings to preventing students from receiving additional financial aid.

Problems such as lost mail or bad addresses, software programming flaws, computer hardware problems, and administrative errors have resulted in loan repayment issues and, in some cases, even default. The impact of student loan default ranges from damaging borrowers' credit ratings to preventing students from receiving additional financial aid.

To resolve these defaults, borrowers must know whom to contact and what they are required to do. Often borrowers do not know how to begin this process or what

rights they have as student loan borrowers. Students and student advocates are also perplexed by the differences between the two major loan programs: the Direct Loan Program and the Federal Family Education Loan Program. The complexity of the loan repayment provisions bewilders students and student advocates.

There is help to prevent delinquency and defaults in the form of deferments, forbearances, and loan discharges. But this assistance can differ substantially depending upon the year in which the borrower received the loan and who owns the loan. Loan servicing practices also vary from lender to lender. This lack of standardization contributes to confusion for borrowers and student advocates.

A Mandate To Improve Services To Borrowers

To improve student financial aid services nationwide, the Higher Education Amendments of 1998 established the Office of Student Financial Assistance (OSFA) as the first federal Performance-Based Organization (PBO). A Chief Operating Officer heads the new OSFA. In that same legislation, Congress specified that the Chief Operating Officer shall appoint a student loan ombudsman who will:

- receive, review, and attempt to resolve informally complaints from borrowers of student financial assistance loans,
- compile and analyze data on borrower complaints, and make recommendations for improvements, and

- report annually on the activities and effectiveness of the ombudsman.

Greg Woods has been appointed as the Chief Operating Officer of the Office of Student Financial Assistance. As part of OSFA's transformation into a performance-based organization, Mr. Woods established an Ombudsman Development Team. The team consisted of Department of Education employees who provide student loan services now. The team was asked to recommend how an ombudsman could best operate within the new performance-based OSFA structure.

What The Ombudsman Development Team Did

To achieve this goal, the team researched the best practices of ombudsman offices now operating in agencies and corporations, and met with representatives of these offices. We also asked students and our partners—schools, lenders, and other organizations—to tell us what services they expected from the OSFA ombudsman office. We wanted to know all about ombudsmen and how we could best serve students and work effectively with schools and our lending partners. Establishing the OSFA ombudsman office is one step in the plan to transform OSFA into a world-class, performance-based organization.

During federal fiscal year 2000, more than 3.5 million borrowers will enter repayment. OSFA is committed to providing quality customer service to every one of these student financial aid recipients. In addition to appointing

We wanted to know all about ombudsmen and how we could best serve students and work effectively with schools and our lending partners. Establishing the OSFA ombudsman office is one step in the plan to transform OSFA into world-class, performance-based organization.

an OSFA ombudsman, we are currently taking action to improve our customer care services by implementing the recommendations of the OSFA Customer Service Task Force. The task force's recommendations are published in a separate report.

The remaining sections of this report present the Ombudsman Development Team's findings and recommendations.

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SECTION III

Recommendations For Establishing An OSFA Ombudsman

We consistently heard that there is a need for students involved in lending disputes and loan repayment problems to have a source of assistance at the Department of Education. This office should help to quickly resolve borrower complaints and must be able to track a problem through to final resolution. To be effective, solutions must be fair to all parties involved. The staff must understand fully the student loan programs and must be able to offer solutions grounded in facts. Excellent channels of communication must be established between OSFA, schools, lenders, guaranty agencies, and other partners providing student loan services. The office must be supported by, and fully use, modern technologies. The recommendations that follow address each of these concerns.

To be effective, solutions must be fair to all parties involved. The staff must understand fully the student loan programs and must be able to offer solutions grounded in facts.

1 Establish an office that can quickly and informally resolve borrower complaints.

Timely Resolution Of Complaints

To resolve problems as quickly as possible, we recommend that the ombudsman have:

- unrestricted and direct access to Department of Education records, database information, and staff involved with each specific case,
- authority to request and promptly receive information maintained by relevant outside agencies, such as guaranty agencies or OSFA-participating lenders, and
- the advantage of cutting edge technology, such as an interactive web site, to respond promptly to borrowers.

We believe that the complaints received by this office will be complex and will require familiarity with the various databases that contain student loan records.

Experienced And Knowledgeable Staff Required

Based on our listening sessions with the financial aid community and students, we believe that the complaints received by this office will be complex and will require familiarity with the various databases that contain student loan records. To promptly resolve difficult situations and complex problems, the ombudsman's staff must include experienced professionals who have:

- a strong working knowledge of the loan programs,

- a full understanding of our partnerships with the financial aid community,
- strong oral and written communication skills, and
- demonstrated analytical and problem resolution expertise.

Informal Resolution Process

The law requires the OSFA ombudsman to ". . receive, review, and attempt to resolve informally complaints from borrowers." Since the statute speaks to informal resolution of complaints, the team believes the Ombudsman is not intended to replace existing offices and processes within OSFA. Based on our research of best practices within other agencies and in private industry, we recommend that the OSFA Ombudsman not have the authority to make or reverse decisions. Rather, the Ombudsman should work with all parties to reach an equitable outcome.

By providing an option to the various formal appeal processes, the ombudsman's office can save both time and money for borrowers and for taxpayers.

By providing an option to the various formal appeal processes, the ombudsman's office can save both time and money for borrowers and for taxpayers. Frequently, the assistance given by an ombudsman's office brings a problem to resolution and eliminates the need for formal action. Because there is no pre-established process or outcome, the parties involved in complaint resolution with the ombudsman are more likely to cooperate to work toward an equitable solution. Further, new and creative solutions can be explored because all parties involved in a complaint can be assured that the ombudsman is working to achieve a fair resolution, rather than gathering information to mandate a course of action.

2 Work hand-in-hand with schools and the lending community to achieve solutions that are fair for students, as well as all other parties.

Fair Solutions

Our research of best practices shows that the most effective ombudsman offices are impartial sources of assistance for all parties involved in a complaint.

We heard from students and student advocates that borrowers need help from the Department in resolving issues with schools and lenders. We also heard from our school and lender partners that it is important for the OSFA ombudsman not to assume that they are at fault when a borrower reports a complaint. These partners are concerned that the ombudsman not be simply another oversight office within OSFA. Our research of best practices shows that the most effective ombudsman offices are impartial sources of assistance for all parties involved in a complaint.

To achieve fair solutions, we recommend that:

- All cases be thoroughly researched prior to recommending any actions.
- Solutions be grounded in that factual information.
- Whenever possible, all parties should agree to the final solution.

We understand that there will be instances in which the ombudsman will have to give borrowers or our partners an answer that they will not like. As a federal agency, the Department must work within the limits of the student loan law and regulations. However, while it may not be possible for us to give all borrowers the responses they

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are seeking, it is possible and necessary to listen carefully and help all parties feel that they have been fully heard and treated fairly.

Promoting Impartiality

To promote impartiality, our best practices research indicates that the ombudsman should have no formal connection to any other OSFA office. To be an effective change agent, the ombudsman will need to maintain good working relationships with, and be knowledgeable about, both our external partners and our internal partners. These relationships should not compromise the independence of the ombudsman's office. We also recommend that the ombudsman report directly to the Chief Operating Officer and that the ombudsman's office be separate from all other OSFA offices. This will help to ensure that the office will be an impartial resource for all borrowers.

To be an effective change agent, the ombudsman will need to maintain good working relationships with, and be knowledgeable about both our external partners and our internal partners.

Partnerships For Solutions

We heard clearly from our partners that they wanted to work with us to achieve optimal services for borrowers. To establish strong communication channels, we recommend that the ombudsman devote resources to building an electronic database of student loan contacts throughout the nation. All schools and lenders would be asked to help the ombudsman determine who to contact for prompt information and how that contact can best be made. During our listening sessions, we found that no single communications channel would work for all of our partners. Some wanted to be contacted by phone, while others indicated that electronic mail would work better for them.

It is equally important to promote an atmosphere of mutual benefit, instead of competition or oversight, between our partners and the ombudsman's office. To promote cooperation and open communication, we recommend that the ombudsman:

- clearly define and publicize the functional requirements, responsibilities, and the authorities of the ombudsman's office,
- attend conferences to talk about the ombudsman's office,
- hold regular internal and external listening sessions,
- make site visits to partners on their turf to solicit input, concerns, and ideas about how the ombudsman can best support and work with them, and
- provide useful information to our partners for improving their services.

3 Promote easy access for borrowers.

Encouraging Communication And Contact With Customers

We recommend offering access to the ombudsman by means of a toll-free telephone number, a user-friendly web site, mail, and direct referral (warm hand-offs) from other OSFA offices, schools, and the lending industry. However, we heard from a number of partners that the ombudsman's office could easily be swamped with customer care contacts. This is likely to occur if the public does not fully understand both OSFA's standard processes for resolving problems and the services that can best be provided by the ombudsman's office.

One option to help ensure the success of the new ombudsman's office is to gradually announce the availability of the office and initially target information to those most in need of the ombudsman's services. This would help ensure that the volume of initial contacts does not overwhelm available resources and that each complaint is fully researched.

Our research of best practices shows that ombudsman offices functioning as customer service offices often fail for two reasons:

1. They are overwhelmed by requests for assistance.
2. All resources are used to provide customer services rather than assisting in resolving cases where the current processes do not appear to have worked.

Therefore, we recommend that customer care services continue to be handled by the appropriate operational offices within OSFA and by its contractors.

Educating Borrowers

Students and student advocates reported that many borrowers do not know where to turn for assistance in resolving disputes. Sales of loans, changing program requirements, and differences in loan servicing and collection processes all lead to borrower confusion and mistakes. When the usual channels don't seem to work, students are left unsupported.

We are recommending a variety of ways that the ombudsman office can inform the public about its services and about the customer services provided by OSFA and its partners.

In response to these concerns, we are recommending a variety of ways that the ombudsman's office can inform the public about its services and about the customer services provided by OSFA and its partners.

1. Providing Internet (World Wide Web) information by creating and maintaining an ombudsman home page. The home page would:

    - have information about the support and resources OSFA currently offers,
    - educate students about the best ways to resolve loan problems, and
    - explain the services provided by the ombudsman's office.

2. Preparing plain language materials for distribution by mail and at conferences, meetings, focus groups, and training sessions. As with the Internet home page, these materials would contain:

- information about the processes OSFA currently offers,
- educate students about the best ways to resolve loan problems,
- explain the services provided by the ombudsman's office. That is, what the ombudsman can and can't do.

3. Updating materials that are currently used by borrowers and schools. For example, information provided at loan counseling sessions would be revised to include information about the ombudsman's office. Because loan counseling sessions must occur both before a student receives a loan and when the student leaves school, these revised materials would be a means to reach all borrowers.

4. Developing standard language about the ombudsman's services for inclusion in loan servicing and collection materials. This language could be used by schools, other OSFA offices, lenders, and other partners in their materials and correspondence about Perkins Loans, Federal Family Education Loans, and Direct Loans.

We reiterate that the ombudsman's office does not duplicate other existing functions or offices but accepts complaints only when normal channels have been tried and do not appear to have resulted in a fair and equitable resolution. In most instances, the ombudsman will be the office of last resort.

We reiterate that the ombudsman's office does not duplicate other existing functions or offices but accepts complaints only when normal channels have been tried and do not appear to have resulted in a fair and equitable resolution. In most instances, the ombudsman will be the office of last resort.

4 Establish a Complaint-Cherishing System.

Based on the reports of borrower confusion about whom to contact for resolving all kinds of problems, it is likely that even though actions are taken to educate borrowers as to where to call, the ombudsman's office will still receive complaints that are best handled elsewhere. To offer best-in-the-business services, we recommend that the ombudsman be able to track all complaints in OSFA as they are received, resolved, and to retain information about both the problem and its final resolution.

The ombudsman will provide OSFA, schools, and the lending industry with information that could potentially reduce operating costs and increase borrower satisfaction.

The ombudsman's office will review complaint data that is entered by the OSFA channels to understand the root causes of complaints and to conduct trend analyses. In addition, the ombudsman's office will track the complaints that it is responsible for resolving directly. This information will be used to measure the performance of the ombudsman's office and will be combined with the channel information to present a complete overview of OSFA's performance.

Who Can Help Borrowers?

We recommend that the Office of the Ombudsman respond to all requests for help by determining if the customer should be appropriately referred to the correct office (or agency), or by attempting to resolve the complaint informally. The ombudsman must have the capability to transfer callers to other services by initiating phone contact. This type of hand-off, which involves all three parties, ensures that the caller is referred correctly and that the needed service is being provided.

For contacts made by electronic mail (e-mail), the borrower will receive a copy of any message that forwards the request for assistance to another office. Even when a complaint is referred, the ombudsman's office will track the resolution of that complaint. Additionally, whenever contacted, the ombudsman will use the opportunity to explain the services that the ombudsman's office can offer.

Complaints And How They Are To Be Cherished

The law requires the OSFA ombudsman to "compile and analyze data and make appropriate recommendations." To meet this requirement, the ombudsman must record and analyze all of the complaints that the ombudsman receives. Consistent with OSFA's new performance-based principles and values, we recommend capturing all reported problems and their resolution electronically. This "*complaint-cherishing system*" will be a tool for improving services and determining solutions based on statistical information.

The complaint-cherishing system will also capture complaint information that is recorded by OSFA's channels in their contacts with students, schools, and the lending community. The ombudsman will use this full picture to analyze trends; determine where and when issues are emerging (an "early warning system"); and promote proactive, rather than reactive, solutions to problems and complaints.

The *complaint-cherishing system* will also capture complaint information that is recorded by OSFA's channels in their contacts with students, schools, and the lending community. The ombudsman will use this "full picture" to analyze trends, determine where and when issues are emerging (an "early warning system") and promote proactive, rather than reactive, solutions to problems and complaints. The ombudsman will provide OSFA management with timely information.

Tracking each complaint captures valuable information about recurring problems and provides the data necessary

to recommend appropriate changes in the student loan programs. The automated collection of complaint data will help identify root causes of problems and provide the ombudsman with the information needed to formulate systemic changes.

We recommend that the data available to the ombudsman be shared with other OSFA offices, schools, and those in the lending community. Sharing customer complaint information with our partners enables them to assess their own services and to determine where improvements are warranted. Complaints can be costly to both students and lenders. The ombudsman will provide OSFA, schools, and the lending industry with information that could potentially reduce operating costs and increase borrower satisfaction. The *complaint-cherishing system* will also provide one basis for measuring the performance of the ombudsman.

Reports

Managers in world-class organizations now have real-time trend information. We recommend that the ombudsman begin to build a real-time complaint-cherishing system with report capabilities. After the office gains experience from resolving actual complaints, the ombudsman will be able to refine the tracking and report system.

Off-the-shelf software can be tailored to monitor student loan complaint information and can provide real-time information, reports, and graphs of specific data.

Examples of information that could be captured include:

- categories and types of concerns,
- hot topics,

- parties involved in the complaint,
- how the complaint was received,
- what office received the complaint,
- what office is responsible for resolving the complaint,
- length of time to resolve, and
- final outcome.

The data will also be useful for measuring the effectiveness of the ombudsman's office and for preparing the ombudsman's annual report to OSFA's Chief Operating Officer. This report will be included in the Chief Operating Officer's report to Congress.

The ombudsman has the unique opportunity and responsibility to listen carefully to each complaint, to research fully the facts of each situation, and to suggest creative solutions based on real life experiences.

5 Improve services to borrowers.

Recommending Change

We heard loudly from students that much can be done to improve services to borrowers, particularly to borrowers in repayment. Borrowers are frustrated that there are differences in treatment depending upon what type of loan they received or who owns their loan. Borrowers are looking for consistency and simplicity. The ombudsman has the unique opportunity and responsibility to listen carefully to each complaint, to research fully the facts of each situation, and to suggest creative solutions based on real life experiences. Each case helps to provide the insight and information needed to inform national policy makers, the Secretary, and private industry about

options for improving the student loan programs. We recommend that the ombudsman be a leader in identifying programmatic and service improvements.

The ombudsman should meet regularly with OSFA managers, students, schools, and members of the lending community to:

- hold discussions about recent complaint trends,
- to propose and negotiate systemic solutions, and
- to plan how to measure the effectiveness of any changes that are implemented.

The regular exchange of information between experts in the student loan programs promotes consistency across programs. Dialogue with all parties fosters the development of creative solutions and new ideas. Systemic or program-wide solutions, as well as the resolution of individual complaints when appropriate, should be made available to all student lending participants and borrowers via the Internet and other media.

This new practice of posting solutions on the Internet will:

- help disseminate information quickly,
- promote equity in the treatment of borrowers who are in similar situations, and
- enable our partners throughout the nation to take advantage of new solutions for improving their services and potentially cutting their costs.

Measuring Effectiveness

To be effective, the ombudsman must constantly work to improve the services offered to borrowers. To measure the effectiveness of the ombudsman function, we recommend a number of actions that put students first and focus on program improvements. The ombudsman's office should:

- conduct random surveys of the ombudsman's customers. Individuals would be told that they might be contacted via a customer survey form to help measure their satisfaction with the service given by the ombudsman.
- establish a web site for customers to give their comments and suggestions.
- ask OSFA managers and partners to give comments and feedback on the ombudsman's services to them.
- develop measurable performance standards to evaluate the office's function. These standards could include—
  - the number of cases resolved successfully,
  - the time needed to resolve complaints,
  - the usefulness and quality of data,
  - the ability to recommend sound solutions that are fair for all parties, and
  - the ability to recommend productive systemic change, as shown by program improvements.

To be an effective leader, the ombudsman must constantly work to improve the services offered to borrowers.

6 Hire the best for the OSFA ombudsman.

As we listened to students, schools, and lenders, we learned that there is no universally accepted definition of an ombudsman. Also, we found that operating ombudsman offices do not all perform the same tasks. Given the ambiguity surrounding the functions of an ombudsman, we based our recommendations on what we heard from our customers and partners, our research of best practices, and the services that the OSFA ombudsman can best provide as part of a performance-based organization.

The following provides a summary of some of our recommendations for hiring the ombudsman. We have outlined some of the strengths that we believe the ombudsman must bring to this office in order to provide best-in-business services to student loan borrowers throughout the nation. The complete discussion is found in Appendix A.

Strengths that candidates must possess

The OSFA ombudsman must:

- have demonstrated strong working knowledge in the statutory, regulatory, managerial, and administrative aspects of the Title IV student loan programs,
- have experience in developing and operating a major public customer service function, including the management of an information tracking system,

- be capable of developing, implementing, evaluating, and improving OSFA's problem resolution service,
- strive for of fair and equitable solutions for all parties involved in a complaint,
- possess the ability to develop creative solutions to complex problems and have knowledge of mediation and negotiation methodologies, and
- have extensive experience in public speaking and possess superior oral and written communication skills.

Hiring Plan

We recommend:

- conducting a national search,
- establishing an interview team to review applications as received,
- interviewing only highly qualified applicants,
- forwarding results of the committee's interviews to the Chief Operating Officer, and
- selecting the ombudsman by September 30, 1999.

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Appendices

A. Complete Listing of Development Team Recommendations

B. Participants at Ombudsman Listening Sessions

Appendix A

TEAM RECOMMENDATIONS

Best Practices — Role and Functions of an Ombudsman

What is the mission of the new OSFA ombudsman's office?

> The Office of the Ombudsman receives, reviews, and attempts to resolve informally complaints from borrowers of student financial assistance loans. The office compiles and analyzes data on borrower complaints and recommends solutions to resolve and prevent complaints.

Initially, the ombudsman will offer services to borrowers of Title IV loans, rather than to all financial aid recipients. This is consistent with the ombudsman role as provided in the 1998 amendments to the Higher Education Act of 1965. We support this initial limitation because it allows the Office of Student Financial Assistance (OSFA) to focus on loan complaints, which historically have been of particular concern to students and Congress. Further, OSFA will learn from responding to student loan complaints those ombudsman functions that are of greatest value to our customers. Reviewing the decision to expand the services to all Title IV program participants should be a future consideration.

Although many federal and private ombudsman offices provide services to the agency's employees, this is not the purpose of the OSFA ombudsman. The new office will not become involved in personnel matters.

2 What should we name the new Office and why?

> The name of the office should be "Office of the Ombudsman"

While the word ombudsman is not a common term in the United States, awareness and understanding of the term have grown over the past 30 years. An Ombudsman is an old and publicly-valued government role. The first recognized government function using the name Ombudsman was established in Sweden in 1809.

Webster's dictionary defines an ombudsman as a public official appointed to investigate citizens' complaints against local or national government agencies that may be infringing on the rights of individuals. The word ombudsman aptly describes OSFA's statutory mandate to "receive, review, and attempt to resolve informally complaints from borrowers . ."

Many of the federal ombudsman offices use the term ombudsman in their names because it defines the functions that they serve. Ombudsman offices calling themselves by other names tend to create confusion about their roles.

The name proposed for OSFA's office does not include "student loan" or "borrower" because the office's responsibilities could exp . d in the future, based on experiences gained through assisting borrowers with Title IV loan complaints.

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3 Should the Office of the Ombudsman maintain impartiality or act as an advocate?

The ombudsman should be impartial and seek to recommend fair and equitable solutions for all parties involved in a complaint. To best serve borrowers, the ombudsman should maintain three core values:

- neutrality,
- confidentiality, and
- independence.

Our research of best practices shows that the most effective ombudsman offices are accessible and impartial sources of assistance for all parties involved in a complaint. Strong ombudsmen carefully research reported complaints, recommend options for resolving individual complaints, analyze data about complaints, and suggest options for making systemic changes in order to prevent problems. To ensure impartiality, the ombudsman function is separate and independent of OSFA's operational services.

Information from other federal agencies shows that those offices that attempt to be advocates are overwhelmed with calls for customer service. These offices cannot be strong catalysts for systemic change or for developing creative solutions to problems because they are focused on resolving individual cases.

4 Should customer confidentiality be maintained? If yes, how?

To the extent possible, while performing the functions of the office, confidentiality should be maintained. The following recommendations help to promote confidentiality:

- maintain only those records necessary to support the functions of the office (i.e. for tracking and reporting purposes),

- publish a "System of Records Notice" in the *Federal Register*,
- provide disclosure/disclaimer information to each customer, and
- confidentiality training to all ombudsman staff.

Confidentiality is essential to promote the open discussions needed to resolve complaints. All parties must feel comfortable that the information they are providing will not be disseminated in a manner that identifies them individually or that will be harmful to them. We can best define the office's intended use of customer information by publishing a notice in the *Federal Register* explaining how the Office of the Ombudsman will use and maintain case information.

While confidentiality is important, certain customer identifiers are needed to research individual cases and follow up on the resolution of those cases. The ombudsman's office should provide disclosure information to its customers, indicating that the customer's name and Social Security number may have to be disclosed to other parties in order to resolve the issue. Only necessary information should be kept regarding a customer's problem. A database of "issue information" should be maintained in order to track sufficient information about the types of problems being forwarded to the ombudsman's office. This database will track the information necessary to provide meaningful categories of statistics.

Confidentiality should not be maintained in cases of fraud and abuse, or threats of violence.

5 What authorities should be delegated to the ombudsman function?

> The Office of the Ombudsman should be delegated all administrative authorities needed to operate as an independent office and to fully perform its role. The ombudsman should be empowered to advocate for excellence in government administration through fairness, justice, equality, and following the law and the processes established in law.

In addition to the administrative delegations, the office should be empowered to:

- receive complaints,
- conduct fact-finding investigations,
- have access to OSFA officials (in person or in writing) who have pertinent case information and documents,
- recommend solutions in individual cases and make recommendations for administrative and regulatory reform to deal with chronic problems and systemic shortcomings,
- speak for the public within the agency on procedures, forms, and similar issues affecting the nature and delivery of services,
- call attention to OSFA problems not yet adequately considered within the agency, and
- prepare reports.

6 Should the ombudsman function have broad powers to investigate all complaints?

> To perform its responsibilities to informally resolve borrower complaints, the Office of the Ombudsman must have prompt and complete access to information held by the Department and its partners. The fact-finding function of the office must be fully supported by the Chief Operating Officer and OSFA's management.

The ombudsman should have prompt and direct access to all of the records, staff, and relevant database systems used within OSFA. Direct access to databases is critical for ensuring the effectiveness and efficiency of the office. The ombudsman staff should have "read only" capabilities for those databases it does not manage. This is because the ombudsman is looking for information rather than processing loan information. In addition, the ombudsman should have access to information maintained by relevant outside agencies.

7 Should the Office of the Ombudsman have the authority to make or reverse decisions made by other Department offices or our partners?

> The ombudsman should neither make nor reverse decisions. Instead, the ombudsman should recommend solutions based on a fair and impartial assessment of the facts of a case. The Office of the Ombudsman should seek informal resolution to issues.
>
> Where resolution of issues is not possible, the ombudsman has the authority to refer issues directly to the Chief Operating Officer.

Statute requires the OSFA ombudsman to "...receive, review, and attempt to resolve informally complaints from borrowers." Because the statute speaks to informal resolution of complaints, we believe the ombudsman is not intended to replace existing offices and processes within OSFA. Based on our

research of best practices within other agencies and in private industry, an effective ombudsman does not make or reverse decisions.

The Office of the Ombudsman should not perform the same functions as other OSFA offices. Rather than duplicate established processes for customer care, the ombudsman should complement these offices by providing feedback on problems and offering new solutions. Effective ombudsman tools include negotiation, resolution of complaints, and diplomacy.

Ideally, the ombudsman should become involved in an issue before it is brought to formal appeal or litigation. Prior to formal action, the ombudsman will be able to gather information and explore options with all parties informally. Because there is no pre-established process or outcome, the parties involved in a complaint are more likely to cooperate to work toward an equitable solution. Further, new and creative solutions can be explored because all parties involved in a complaint can be assured that the ombudsman is working to achieve a fair resolution, rather than gathering information to mandate a course of action.

What cases should the Ombudsman handle?

> The Office of the Ombudsman should provide service to all customers by either appropriately referring them to the correct office or agency, or by attempting to resolve the complaint informally.
>
> The ombudsman should not duplicate other existing functions or offices at the Department. Cases that the ombudsman should refer to other, more appropriate, offices include those for which formal proceedings have already begun by such offices as the Institutional Participation Oversight Service, the Office of the General Counsel, and the Office of the Inspector General.
>
> Cases that the ombudsman should accept include complaints from student and parent borrowers where normal

channels have been tried and do not appear to have resulted in a fair and equitable outcome.

The ombudsman should not become involved in issues once a formal appeal process has begun. As recommended previously, the ombudsman should not replace customer services functions being performed by other OSFA offices or its partners. The ombudsman's office should coordinate its efforts with these offices and partners to ensure that it does not become involved in actions already being undertaken by others.

9 Should contact with the Ombudsman be a last resort?

> Every effort should be made to help borrowers resolve their issues using current customer care resources. The ombudsman's office should become involved only when normal channels don't appear to have addressed the issue equitably.
>
> As noted previously, the ombudsman's office will want to ensure that there is no duplication of effort between it and other offices. In many instances the ombudsman office will refer matters to other offices, and the ombudsman's office itself will not initiate research into the complaint.

It would be counterproductive for the ombudsman's office to become involved in a matter that is already being addressed through an established legal procedure or appeal process. Inappropriate ombudsman involvement could jeopardize an ongoing investigation. Further, the ombudsman's office should use a "policy of least intervention." Successful outcomes are more likely if issues can be resolved by contacting the individual, manager, or organization closest to the problem.

It is important for the ombudsman's office to educate both its customers and the Department about what the ombudsman does and does not do. Good customer service will best be realized if all OSFA and partner resources are effectively used.

10 How should the effectiveness of the ombudsman function be measured?

To measure the effectiveness of the ombudsman function, we recommend a number of actions:

- conduct random surveys of its customers. Customers should be told that they might be contacted via a customer survey form to help OSFA measure satisfaction with the service that was provided by the ombudsman.
- establish a web site for customers to give their comments and suggestions.
- ask OSFA managers and partners to give comments and feedback on the ombudsman's approach in resolving complaints that involved the manager's and partner's offices.
- performance standards should be developed and data should be collected to evaluate the ombudsman function. These standards could include—
  - number of cases resolved successfully,
  - time needed to resolve complaints,
  - usefulness and quality of data,
  - ability to recommend sound solutions that are fair for all parties,
  - ability to recommend productive systemic change as evidenced by program improvements, and
  - preparation of quality reports, including the Chief Operating Officer's report to Congress.

To promote outstanding customer services, customers must be given the opportunity to give their opinions on the services that were provided by the ombudsman. The information from customers will help the OSFA Chief Operating Officer to determine if the ombudsman is successful in resolving the complaints of student and parent borrowers.

OSFA's managers and partners can also provide valuable information about the ombudsman's approach and effectiveness in resolving complaints that involved them. This response loop will help the ombudsman to continuously improve services and will enable the Chief Operating Officer to determine if the ombudsman's complaint resolution approaches and practices are customer friendly and effective.

Developing standards to evaluate the ombudsman function provides an unbiased, consistent, and concrete process to measure the effectiveness of the ombudsman's work.

Organizational Location of the OSFA Ombudsman

1 Where should the ombudsman's office be located within OSFA? What should be the relationship of the ombudsman's office to other offices within OSFA?

> To be effective, the ombudsman's office should be an independent office that reports directly to the Chief Operating Officer.

Best practices indicate that the ombudsman should have no formal connection to any other organizational or operational office. Establishing an independent ombudsman's office that reports directly to the Chief Operating Officer ensures that the office will:

- be able to maintain neutrality, confidentiality, and independence,
- have the authority to conduct meaningful research, to report findings, and to make recommendations for resolution of problems,
- have influence with and the confidence of OSFA's upper management and its partners, and
- be considered an impartial resource for all borrowers.

The ombudsman will have to work smoothly with other OSFA offices to accomplish the ombudsman's mission. Establishing productive lines of communication while maintaining independence is critical to developing an independent yet effective service.

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2 Should there be an ombudsman function with staff located in each regional Department office? If so, to whom should the staff report? If there are no regional members of the ombudsman's staff, how will the ombudsman work with the regions?

> When the ombudsman's office is first established, it should not have staff in the regional offices. Instead, regional offices will be asked to designate contacts to help the ombudsman promptly obtain case information.
>
> Once the ombudsman's office has existed for a while, the ombudsman should reassess the appropriateness of its regional representation.

Best practices strongly support phasing in the ombudsman's office. Therefore, we recommend that the ombudsman function initially be established solely at the Department's headquarters. We believe that actual performance of the office's functions will provide the best information to evaluate whether improvements in responding to the needs of OSFA's customers and partners can be achieved by adding regional staff.

Components of a Complaint-Cherishing System

1 Initially, what should OSFA's complaint-cherishing system do?

> The initial complaint-cherishing system should capture complaint information that is recorded across OSFA channels for purposes of analyzing trends, determining where issues are emerging, and promoting proactive solutions to problems and complaints.

OSFA is committed to improving customer service. The ombudsman's office can help promote immediate improvement by using information currently available on the Department's customer care databases. This information can be assessed to determine areas of commonality in reporting and similar measures of customer services and complaints. By compiling a full picture of the information being gathered throughout OSFA, the ombudsman can analyze trends and look at systemic issues. Improvements will be recommended on the basis of concrete information. Further, information gathered in one OSFA channel will have value for management planning in another area.

2 How will the complaint-cherishing system be used?

> The initial complaint tracking system should help OSFA meet its new performance-based organization's principles and values. Rather than resulting in criticism of performance, the complaint system should be a tool for alerting OSFA to problems and promoting solutions grounded in facts. Improving customer service is the primary goal.

The initial complaint-cherishing system will form one basis for beginning to develop true measures of the services OSFA performs. Tracking each complaint captures valuable information about recurring problems and provides the data necessary to recommend appropriate changes in the student loan programs. We recommend that the data available to the ombudsman be shared with other OSFA offices, schools, and those in the lending community. The complaint-cherishing system will also provide information for measuring the performance of the ombudsman.

3 What systems currently capture information that may be important for assessing customer services?

The following OSFA systems have data that may be useful for resolving complaints:

- Public Inquiry Contractor (PIC) Measurement systems,
- Freedom of Information Act (FOIA) requests,
- Control Mail Tracking,
- Postsecondary Education Participant System (PEPS),
- National Student Loan Data System (NSLDS),
- Central Processing System (CPS),
- Debt Collections System (DCS),
- Direct Loan Origination Center Measurement systems (including consolidation loan origination),
- Direct Loan Servicing Center Measurement systems,
- Pell Grant Customer Service Measurement systems,
- Title IV WAN Customer Service Measurement systems,
- Direct Loan (Client Account Managers) Inquiry Tracking system,

- Case Management Information System (CMIS), and
- Customer Support Branch (CSB) Inquiry Tracking System.

Also these systems were reviewed in determining an appropriate tracking system for the ombudsman's office.

4 How should the ombudsman's office access information in customer service databases?

> The Office of the Ombudsman should have direct access to information in the NSLDS, CPS, DCS, Direct Loan Servicing Center, and Direct Loan Origination Center systems.

Team research determined that these OSFA offices have customer contact information that may need to be accessed by ombudsman's office to fully understand and resolve customer complaints.

Further, the ombudsman can only effectively carry out the duties of his or her office with unrestricted access to relevant records, information, and databases. The ombudsman should have the capability to view borrower information directly on the OSFA systems where the data reside.

The ombudsman's office must work closely with OSFA offices that maintain these databases to ensure that each database is used correctly and that the information contained in each system is accurately interpreted. The ombudsman's office staff must ensure that they are familiar with each of these systems and must work closely with the OSFA offices maintaining these systems to stay up to date on all system improvements and changes.

The Office of the Ombudsman must have prompt access to all relevant data maintained by OSFA's partners. One of the outreach functions conducted by the ombudsman will be determining the most efficient and cost-effective means for obtaining and sharing borrower information with schools, lenders,

servicers, and collection agencies. The congressional directive to "provide timely assistance to borrowers" mandates that OSFA partners work closely with the ombudsman to promptly exchange relevant borrower information and files.

5 Should the ombudsman have a case tracking system and, if so, what data should be recorded?

The Office of the Ombudsman must develop a case tracking system in order to ensure the timely resolution of complaints and to track the data necessary to measure the office's effectiveness.

Case data should include the following items:

- control number,
- source of inquiry,
- type of inquiry, such as:
  - general assistance – such as simple requests for information,
  - inquiry – a more complicated question which requires research,
  - problem resolution,
  - complaints that must be researched and analyzed,
- dates:
  - date opened,
  - date closed or resolved,
  - dates of all contacts,
- where referred,
- ombudsman specialist handling the case,
- time spent on case,

- issue(s) involved (e.g., violation of due diligence, delay in delivering loan proceeds, improper crediting of a loan payment, etc.),
- brief narrative, including:
  - reason for contacting Ombudsman,
  - what is the desired outcome,
  - actions taken,
  - record of all contacts,
  - final outcome.
- parties involved in the complaint:
  - internal,
  - external – including guaranty agencies, lenders, schools, and loan servicing and collection agencies.
- how was the inquiry received:
  - telephone,
  - written communication,
  - web site,
  - hand-off from other offices,
- geographic location of person initiating the case.

The ombudsman case tracking system is one component of the overall OSFA complaint-cherishing system. In addition to ensuring the timely resolution of complaints and tracking the data necessary to measure the ombudsman's effectiveness, the case-tracking system will be used to analyze trends and establish early-warning-system triggers. The data will also be useful for preparing the ombudsman's annual report to the Chief Operating Officer, to be included in the annual report to Congress.

6 Are there any tracking systems used by OSFA or software packages currently available that would meet the needs of the ombudsman case tracking?

> Yes, the ombudsman's office will be able to use commercially available software.

The target date for establishing the complaint-cherishing system is September 30, 1999. The ombudsman case tracking system is one component of the complaint system. Using commercial off-the-shelf software will ensure that the case-tracking system is ready before September 30.

Other systems currently being used by OSFA were not chosen because they have been found to be slow, difficult to use, or not easily modified.

7 How should the ombudsman provide feedback and recommendations to OSFA Management?

The Office of the Ombudsman should:

- provide regular factual reporting of issues and trends that are specific to each operational office,
- report on an ad hoc basis any indication of systems and program problems before major problems occur (early-warning-system),
- provide customer complaints directly to the office that is responsible for that service area,
- identify the need for operational changes based on problem resolution and complaint management activities,
- identify solutions that cut across organizational lines, and
- have regular, face-to-face meetings with the Chief Operating Officer to discuss ongoing issues as well as to present official reports.

The ombudsman should provide reports and recommendations to management both formally and informally. Ad hoc reports should be given directly to the front-line staff involved in that specific operation. Meetings to discuss issues should occur as needed. By working in these ways, the office will more likely be viewed as an ally to management rather than an adversary.

8 What types of information should be reported by the Office of the Ombudsman?

Reports made by the Office of the Ombudsman should include such items as—

- number of complaints,
- types of complaints received,
- results and outcomes of complaints,
- status of complaints in progress,
- parties involved in complaint,
- recommendations for systemic changes,
- proposed solutions,
- cost-benefit analyses, and
- trend analyses.

Public Relations Campaign to Inform the Public and OSFA Employees about the Ombudsman's Role

1 How can we best inform our customers and partners of the ombudsman work?

There are a variety of ways in which we may inform our customers and partners about who the ombudsman is and what role the ombudsman's office will serve within OSFA. These include:

- posting information on the Internet World Wide Web by creating and maintaining a home page. The home page would contain information about the processes OSFA currently provides and would explain how the ombudsman's office fits into that process. The web site would also link to other relevant web sites.
- drafting materials to be printed and distributed by mail and at conferences, meetings, focus groups, and training sessions, such as rolodex cards, brochures, flyers, booklets, and pamphlets.
- attending various conferences, videoconferences, focus groups, "All Hands" meetings, and training sessions to speak about the new office and to become familiar with OSFA staff and partners.
- updating materials that are currently designated for Student Financial Assistance (SFA) Program operations. These could include: SFA Handbook, Student Guide, and Direct Loan servicing letters. These

materials should be revised within their pre-planned publication schedule.

- developing sample language about the ombudsman's office for Federal Family Education Loan lenders to incorporate in their correspondence to borrowers.

Given the varying communication resources available to students, we believe that the ombudsman must use multiple methods to make information readily accessible to our customers and partners. However, to ensure that the volume of initial contacts does not overwhelm the resources of the ombudsman's office, the service should be gradually announced.

2 How should we maintain communication links with our customers and partners?

Many of the methods recommended for informing our customers and partners of the ombudsman's role may also be used to maintain communication links with our customers and partners.

In particular, we believe that the Internet will be a significant tool for maintaining links and for supporting the timely resolution of complaints. However, telephone communication will also be essential for serving borrowers throughout the nation.

In addtion, we recommend that the ombudsman's staff work with OSFA's internal services to keep all published information accurate and current. This includes:

- drafting, reviewing and updating publications, brochures, letters, training materials, etc. that discuss the ombudsman's function and
- developing new text for student publications and brochures.

The ombudsman must establish and maintain working relationships with those OSFA managers who are responsible for creating, updating, and distributing OSFA publications, bulletin boards, web sites, etc. This will enable the ombudsman's office to keep abreast of what's going on throughout OSFA and to take advantage of opportunities to include information regarding the Ombudsman's function.

3 Should there be an outreach component maintained within the Ombudsman function?

Yes, in addition to an internal component established to maintain communication links, there should also be an outreach component within the Office of the Ombudsman. Reaching out to our partners will promote cooperation and encourage open communication.

We recommend that the ombudsman's office:

- coordinate the office's interactions with our partners to explain the purpose of the ombudsman's office and to promote cooperation,
- promote an atmosphere of cooperation instead of competition between our partners and the ombudsman's office,
- go to conferences and videoconferences to talk about and hear comments about the OSFA Office of the Ombudsman,
- hold regular listening sessions,
- make site visits to partners on their turf. Solicit their input, concerns, and ideas about how this office can best support and assist them, and
- maintain regular contact and partnership with other governmental and corporate ombudsman offices to learn about improvements in their services. This would allow us to adopt some of their best practices and apply them within our ombudsman's office.

Regular outreach will help to enable the ombudsman to maintain successful channels of communications with its partners in a timely manner.

The team also recommends that outreach activities be assigned to all staff. Assigning outreach duties to all staff creates an environment for effective cross-training and diverse duty assignments. It also promotes flexibility in responding to complaints quickly since all staff will be familiar with our partners.

4 What can be done to prevent non-productive competition between the ombudsman and other offices providing customer service to mutual partners and/or clients?

There are several ways to prevent nonproductive competition between the ombudsman and other offices providing customer service to borrowers. They include:

- clearly defining the functional responsibilities of the ombudsman's office so our partners, clients and department staff understand its function and purpose,
- educating OSFA's partners and customers so they know that the ombudsman's office shouldn't be the first avenue for resolution, it should be the last. This involves clearly defining and publishing current processes,
- establishing internal controls to ensure that the ombudsman and the ombudsman's staff:
  - advocate a fair process,
  - operate in a neutral fashion and maintain independence from other offices,
  - provide options for solving problems,
  - focus on finding facts, and
  - use the principle of least intervention.

- establish and maintain open and productive communication highways between the ombudsman's office and OSFA's customers and partners, and
- ensure that the ombudsman and the ombudsman's staff employ the three principles of neutrality, confidentiality, and independence.

The purpose of the ombudsman's function is not to dominate or to impede, but to complement the current process and informally resolve problems.

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Staffing Plan and Budget for the Office of the Ombudsman

1 What should be the rank of the ombudsman within OSFA?

> The ombudsman position should be at a senior level.

We recommend that the ombudsman be at an organizational level equal to that of other senior management in OSFA. This would be consistent with the high value of the office and the reponsibilities and functions, as well as to ensure credibility within the organization and with external partners.

2 What should be the selection process for hiring the ombudsman?

> A panel should be appointed to review applicant qualifications against established position criteria. The panel would recommend the most qualified applicants for interview by the Chief Operating Officer. The Chief Operating Officer would make the official selection.

Establishing a selection panel to interview candidates and make recommendations to the Chief Operating Officer reflects the current organizational approach for staffing key vacancies and ensures thorough consideration of all qualified applicants.

3 Qualifications and skills needed in an ombudsman.

We carefully reviewed the qualifications of other ombudsmen and the position descriptions used by other federal agencies. We also considered the suggestions of our partners, which were discussed at the development team's listening sessions with students, schools, and members of the student loan industry.

- have demonstrated a strong working knowledge in the statutory, regulatory, managerial, and administrative aspects of the Title IV student loan programs,
- have experience in developing and operating a major public customer service function, including the management of an information tracking system,
- be capable of developing, implementing, evaluating, and improving OSFA's problem resolution service,
- work toward the the implementation of fair and equitable solutions for all parties involved in a complaint,
- possess the ability to develop creative solutions to complex problems and have knowledge of mediation and negotiation methodologies, and
- have extensive experience in public speaking and possess superior oral and written communication skills.

4 What other staff are needed for the Office of the Ombudsman?

We recommend the following additional staff members:

- a deputy or associate ombudsman position,
- ombudsman specialists (the number of specialists is dependent on estimated complaint volume), and

- support personnel (i.e., secretary, program support assistant, office automation clerk, etc.).

The deputy or associate ombudsman could help to handle the day-to-day operations of the office (i.e., work assignments, supervisory responsibilities, and budget) in addition to providing guidance to less senior staff and acting as the ombudsman in the absence of the ombudsman.

Based on our listening sessions with the financial aid community and students, we believe that the complaints received by this office will be complex and will require strong technical expertise. We believe there must be a staff of highly qualified specialists to handle these inquiries and perform the other duties of the office.

We also believe that the ombudsman's staff must include specialists with the skills needed to conduct statistical and trend analyses, as well as to develop and assess quantifiable measures of OSFA's service performance. These skills are needed to prepare regular and ad hoc reports for our internal and external partners and for the annual report to Congress.

Support staff are needed to assist in the administrative functions of the office. Without support staff, the ombudsman specialists would need to perform administrative functions, which would reduce their availability to deal with complex problems.

Qualifications for Specialists.

- strong working knowledge of OSFA organization and programs.
- knowledge of OSFA systems (NSLDS, PEPS, etc.).
- knowledge of OSFA partnerships with the financial aid community.
- basic knowledge of Department of Education programs.
- ability to maintain confidentiality and neutrality.

- good oral and written communication skills,
- analytical skills,
- problem-resolution skills,
- basic knowledge of the government structure and processes, and
- ability to deal with difficult people.

The qualifications recommended are consistent with the qualifications required of staff in ombudsman offices in other federal and non-federal agencies.

6 What should be the duties of the ombudsman specialists?

The team strongly recommends that the duties of each specialist should involve all aspects of the services offered by the ombudsman's office. This would include the following:

- resolve complaints by
  - accessing and understanding data within relevant systems,
  - performing program and process analyses, and
  - recommending options for resolving the complaint,
- conducting outreach activities,
- preparing reports,
- conducting trend analyses and training, and
- maintaining the ombudsman web site.

Because we do not know what the caseload will be, building a staff with multiple skills and duties will promote flexibility in responding to changing volumes of casework and tasks.

7 Who should select the staff?

The ombudsman should serve as the selecting official for all staff.

However, to meet the September 30th goal for establishing this office, staff should initially be detailed to the Office of the Ombudsman. A team of back-up staff should also be trained and available to respond to complaints.

This process is consistent with OSFA hiring practices.

A transition staff should be detailed to begin preparations to establish the new ombudsman's office.

Selecting and training back-up staff will allow the new Office to function until the ombudsman has time to select a permanent staff.

8 What should be included in the budget for the Office of the Ombudsman?

Based on our listening sessions with the financial aid community and students, we believe that the complaints received by this office will be complex and will require strong capabilities in the areas of program knowledge, data systems, and communications.

The budget should be adequate to support and maintain state-of-the-art technology and services.

Considerations when establishing the budget include:

- salaries and expenses,
- office space,
- phone services similar to the current OSFA Customer Support Branch so that someone is always available to answers calls,

- computers and software,
- staff training,
- development of complaint-cherishing system, including the ombudsman's case tracking system,
- development and maintenance of a web site,
- outreach services, including preparing written materials and travel for presentations,
- establishing a link with all of the potential internal and external partners. This will involve educating all parties about the new Ombudsman functions and establishing communications through various means,
- hours the office will be staffed, and
- office supplies and furniture.

Short-term Implementation Plan for the Transition Team

The following plan outlines the major processes that must be performed to establish the ombudsman office and develop the initial complaint-tracking system by September 30, 1999:

- Establish ombudsman hiring process and select panel to screen and interview candidates. Hire Ombudsman.
- Immediately begin to build transition team by detailing highly qualified OSFA employees.
- Develop and begin to carry out a plan for establishing internal and external communications links.
- Develop and establish initial complaint-cherishing system. Acquire case-tracking system to record pertinent data on complaints that the Ombudsman receives.
- Finalize the kick-off outreach campaign. Begin drafting written materials and building a web site.
- Develop office operational procedures and training program.
- Acquire office space, begin to set up call center capabilities and build direct access to relevant ED databases.

Appendix B

PARTICIPANTS AT OMBUDSMAN LISTENING SESSIONS

The Ombudsman Development Team held four listening sessions with students, schools, members of the financial aid community, and the lending industry. A list of participants in attendance at one or more of the listening sessions follows:

American Association of Cosmetology Schools
American Association of State Colleges and Universities
American Council on Education
Career College Association
Coalition of Higher Education Assistance Organizations
College of Charleston
Colorado State University
Consumer Bankers Association
Denison University
DeVry-Columbus
Education Finance Council
Education Loan Management Resources
Federation of Associations of Schools of Health Professions
Great Lakes Higher Education Commission
Harvard University
Hope College
Iowa State University
Kansas State University

Kentucky State University

Legal Services Counsel

National Association of College and University Business Officers

National Association of Independent Colleges and Universities

National Association of Student Financial Aid Administrators

National Association of Student Loan Administrators

National Association of State Universities & Land Grant Colleges

National Council of Higher Education Loan Programs

National Direct Student Loans Coalition

Nebraska Student Loan Program

Nellie Mae

Oklahoma State University

Pennsylvania Higher Education Assistance Agency

Southern Illinois University-Carbondale

Southern Illinois University-Edwardsville

Southwest Texas State University

University of Florida

University of Illinois at Chicago

University of Michigan

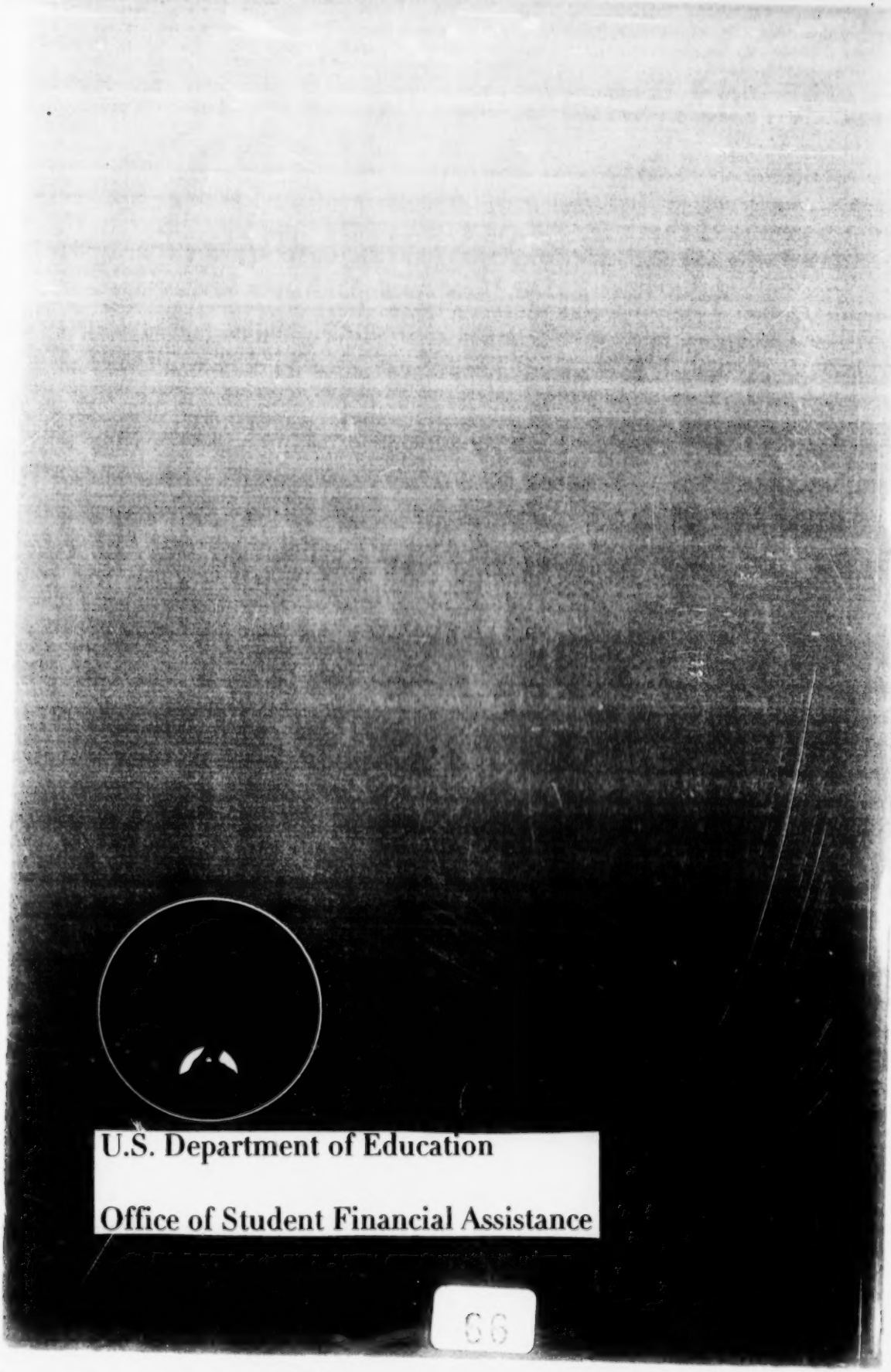
University of North Carolina-Wilmington

University of Oregon

U.S. Public Interest Research Group

U.S. Student Association

Virginia Commonwealth University



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